

Town of Natick

# Fiscal Year 2018 Water and Sewer Rate Recommendations

Prepared for the Board of Selectmen acting as Water and Sewer Commissioners



# ***Town of Natick***

## **2018 Water/Sewer Rate Setting**

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## **Section I:**

# **Status of the Water/Sewer Enterprise Fund**



# Town of Natick

## 2018 Water/Sewer Rate Setting

### Section I: Status of the Water/Sewer Enterprise Fund

The Town of Natick operates the Water/Sewer Enterprise Fund for the purpose of financially accounting for the operations of providing Natick citizens clean, safe and potable water and sanitary sewer services. According to the Mass. Department of Revenue, an enterprise fund is established “under G.L. c. 44, § 53F½ to separately account for municipal services of a proprietary nature, *i.e.*, those services provided to individual customers for a charge in a manner similar to private business.” Fees and/or rates are charged for this service and the fund is segregated from the other financial operations of the Town of Natick. <sup>1</sup>

### FY 2016 & FY 2017 Rates in Review

Fiscal Year 2016 and 2017 rates were based on appropriated expenses of the Water & Sewer Enterprise Fund. As with any budget, the setting of rates and planning of expenditures is just that – a plan. Reality, especially when it comes to an industry directly impacted by climate conditions and the weather, often differs. FY 2016 rates were increased 2.00% to ensure adequate revenues for the fund. FY2017 rates were increased 2.00% for water and 4.50% for sewer.

### Usage Impacts

Usage has remained relatively consistent for several years. FY 2015 usage decreased slightly but rebounded in FY 2016. However, this data isn’t the complete story. The average use has declined in each of the last several years and is on track to decline again in FY 2017. FY 2016 use is above the eight year average. Average use plays a large role in our rate structure as there are less units being billed at a higher tier.

Detailed actual usage for FY 2009-2016 is shown in the table below, (and in greater detail in Attachment D).

Water & Sewer Usage (in Hundred Cubic Feet)								
FY 2009	FY 2010	FY2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Average
1,365,462	1,379,663	1,408,927	1,329,410	1,365,462	1,379,663	1,376,176	1,411,132	1,376,987
Irrigation Usage (in Hundred Cubic Feet)								
FY 2009	FY 2010	FY2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Average
162,702	167,342	171,645	137,975	162,702	167,342	170,420	201,885	167,752

<sup>1</sup> For more information, please see Massachusetts Department of Revenue, Bureau of Accounts. [Informational Guideline Release 08-101, Enterprise Funds, G.L. c. 44, § 53F½](#). Commonwealth of Massachusetts. Boston, MA. April 2008.



# Town of Natick

## 2018 Water/Sewer Rate Setting

Analyzing usage is important, because it allows rate setters to see where changes are occurring and what impacts the weather or prices have on the different rate blocks the Town utilizes.

In Fiscal Year 2013 revenues rebounded over previous years. FY 2014, FY 2015, FY 2016 continued this trend. FY 2017 is trending down year to date.

Table A below details actual user fee revenues.

	FY2016YTD	FY 2015	FY 2014	FY 2013
W/S User Charges	13,855,565.76	12,666,040.62	12,329,032.41	12,023,802.03
W/S Service/Flat Fees	241,414.43	268,831.90	141,109.81	240,288.43
Betterments and Liens	804,504.30	1,221,502.47	1,197,789.06	1,403,379.23
	<b>14,431,484.49</b>	<b>14,156,374.99</b>	<b>13,667,931.28</b>	<b>13,667,469.69</b>

### FY 2017 Operational Impacts

FY2017 rates and fees were set in order to collect \$15,109,854. Staff is optimistic that the target will be reached. The appropriations and future year estimates are shown below.

#### Summary of Budgeted Expenditures & Revenues

Revenue Summary	FY16 Actual	FY17 Estimated	FY18 Proposed	FY19 Estimated	FY20 Estimated
<b>Water &amp; Sewer Fees</b>	<b>13,626,980</b>	<b>13,598,854</b>	<b>14,160,250</b>	<b>14,746,975</b>	<b>15,475,275</b>
Connection Fees	104,423	100,000	100,000	100,000	100,000
Investment Income	29,235	20,000	25,000	20,000	20,000
Betterments					
Misc. Fees	804,504	1,100,000	1,000,000	1,100,000	1,100,000
Revenue from Liens					
I&I Stabilization Fund	150,000	150,000	150,000	150,000	150,000
Water & Sewer Retained Earnings	373,000	531,000	683,000	500,000	500,000
<b>TOTAL WATER &amp; SEWER RECEIPTS</b>	<b>\$ 15,088,142</b>	<b>\$ 15,499,854</b>	<b>\$ 16,118,250</b>	<b>\$ 16,616,975</b>	<b>\$ 17,345,275</b>
Expenditure Summary	FY16 Actual	FY17 Appropriated	FY18 Proposed	FY19 Appropriated	FY20 Appropriated
Operational Budget	8,762,462	9,279,806	9,671,246	10,251,521	10,712,839
Fringe Benefits	791,486	748,986	836,137	919,751	1,011,726
Debt & Interest	2,462,729	2,390,788	2,542,638	2,669,770	2,803,258
In-Kind Services (Indirects)	2,207,400	2,218,150	2,035,229	2,075,934	2,117,452
Reserve	200,000	200,000	200,000	200,000	200,000
Capital Improvements	373,000	531,000	833,000	500,000	500,000
<b>TOTAL WATER &amp; SEWER EXPENDITURES</b>	<b>\$ 14,797,077</b>	<b>\$ 15,368,730</b>	<b>\$ 16,118,250</b>	<b>\$ 16,616,975</b>	<b>\$ 17,345,276</b>
<b>NET EXCESS / (DEFICIT)</b>	<b>\$ 291,066</b>	<b>\$ 131,124</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (0)</b>



# Town of Natick

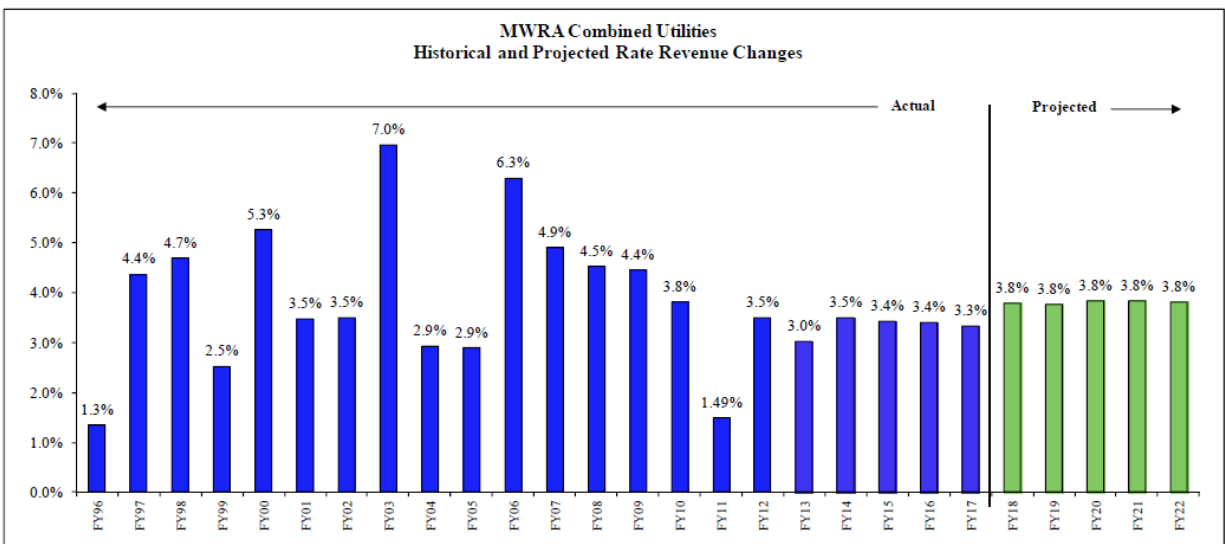
## 2018 Water/Sewer Rate Setting

### FY 2017 Operating & Capital Budgets

The establishment of rates for the Water/Sewer Enterprise Fund is directly a factor of the expenses necessary to provide the service. In other words, the Town of Natick must use an expense-driven model when determining expenses for the upcoming year. This gives a strong incentive to the commissioners and the operators to make sure operations are as efficient and cost effective as possible.

For FY 2018, the proposed operating and capital budget for the Water/Sewer Enterprise Fund is \$16,118,250. Major components include;

1. Increase in the MWRA Assessment of \$287,835: The MWRA Assessment – the charge which the Town must pay for the treatment of the Town’s sewage by the Massachusetts Water Resource Authority is on the rise. The MWRA Assessment represents 84.97% of our sewer budget. This rate of increase may rise in the future. The MWRA has several capital projects on their plan. This amount may be slightly higher or lower when a final budget is approved by the MWRA later in June.





# Town of Natick

## 2018 Water/Sewer Rate Setting

2. Debt Service: Debt service in FY 2018 is forecast at \$2,542,638. The major capital projects include the rehabilitation or replacement town wells, replacement of a sewer pump stations, water and sewer main replacement and upgrade.
3. Potential Summer Water Ban: A water ban this summer is likely. This will reduce irrigation use and therefore revenue. In FY 2012 we collected fewer funds then we expended. That year irrigation use dropped nearly 20%. This caused our retained earnings to drop below the 10% margin. Table 101 shows the relationship between irrigation use and year end retained earnings. In 2012 irrigation use dropped significantly. The 2013 certified retained earnings show a corresponding drop.



4. Average Use Drop: The average use dropped from 15.27 units to 14.75 units. This is great for water conservation, but bad for rates. When the use drops the units billed at a higher tier also drops therefore causing rates to increase.
5. Energy Cost Increase: The cost of electricity is projected to increase. Changes in pass basic delivery charges proposed by Eversource will increase the price we pay for electrical service.



## **Section II:**

# **Rate Recommendation**

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### **Section II: Rate Recommendation**

#### **Rate Methodology**

The Board of Selectmen, as the Water & Sewer Commissioners of the Town of Natick, is charged with setting rates necessary to support revenues for the operation of the Water & Sewer Enterprise Fund on an annual basis. The proposed rates of the Water/Sewer Enterprise Fund are raised according to the following guiding principles:

- 1) Rates are sufficient to cover expenses in any given year.
- 2) Water rates are designed to foster conservation, thus the more you use, the more you pay. Our rates are tiered and therefore comply with recommendations and foster conservation.

The rate recommendations presented on the following pages have been derived from a sophisticated model developed by the Deputy Town Administrator for Operations. Every meter read and every account has been imported into the model from Fiscal Years 2006 to 2016. The usage in each of the years is calculated and the proposed rates applied to that usage. Staff will continue to review this model on an annual basis, thus insuring better data and quality by creating a larger sample with which to model upon.

The proposed collection rate is set at 94%. This represents what we actually collect during the fiscal year. Although we bill and will eventually collect 100% of what we read from meters, the Finance Department has reported that we collect 94% of the amount billed in a fiscal year. Bills are not paid on time, thus delaying the receipt of that collection to a future fiscal year, often through a tax lien.

The vacancy rate remains at 5% for multi-unit averaged dwelling units. As commissioners may remember, from FY 2009-2011, the Town implemented a phased averaging of all multi-unit dwellings in the Town of Natick. This was designed to create a fairer and more equitable rate





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## 2018 Water/Sewer Rate Setting

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structure for all rate-payers, and it has largely worked. An apartment dweller or condominium owner is now paying either tier 1 or tier 2 water rates, comparable to what a single-metered single-family home pays. But the method of averaging the Town uses does not take into account factor for the reality of the real estate market. Thus in FY 2014 we added a vacancy rate for multi-unit complexes. This is something we do when evaluating the value of such properties for tax purposes, and the Assessor's office has validated that larger multi-unit dwellings in Natick maintain a 5% vacancy rate.

For FY 2017, staff has prepared the following proposed rate option for the Board of Selectmen to consider:

**Rate Increase:** Staff recommends the Board of Selectmen ***raise the current water and sewer rates by 3.50%***. Should fiscal year 2017 end as forecast and rates are raised as proposed for FY 2018, we should maintain a balance of 10% in retained earnings in accordance with our adopted Financial Management Principles (See Attachment I). Such a balance is not only prudent financial policy, but as FY 2012 has shown, such a reserve is essential to maintain operations while avoiding mid-year rate increases.

We will continue a prudent review of operating and capital expenses and do everything in our power to ensure that future increases when necessary can be planned and managed so as to avoid large (over 5%) rate increases in any given year.

This rate increase equitably raises the costs of water & sewer services. It is anticipated that it will raise the required funds to cover water and sewer enterprise fund expenses for fiscal year 2018.



# Town of Natick

## 2018 Water/Sewer Rate Setting

### Combined Water & Sewer Rates

FY 2016			FY 2017		
0-10	Water	\$ 1.71	0-10	Water	\$ 1.77
	Sewer	\$ 4.73		Sewer	\$ 4.90
11-20	Water	\$ 2.62	11-20	Water	\$ 2.71
	Sewer	\$ 8.43		Sewer	\$ 8.73
21-40	Water	\$ 3.88	21-40	Water	\$ 4.02
	Sewer	\$ 13.94		Sewer	\$ 14.43
40+	Water	\$ 6.03	40+	Water	\$ 6.24
	Sewer	\$ 13.94		Sewer	\$ 14.43

### Combined Elderly Rates

FY 2016			FY 2017		
0-10	Water	\$ -	0-10	Water	\$ -
	Sewer	\$ -		Sewer	\$ -
11-20	Water	\$ -	11-20	Water	\$ -
	Sewer	\$ -		Sewer	\$ -
21-40	Water	\$ 2.76	21-40	Water	\$ 2.86
	Sewer	\$ 9.92		Sewer	\$ 10.27
40+	Water	\$ 4.29	40+	Water	\$ 4.44
	Sewer	\$ 9.92		Sewer	\$ 10.27

### Water Only

FY 2016			FY 2017		
0-10	Water	\$ 1.71	0-10	Water	\$ 1.77
11-20	Water	\$ 2.62	11-20	Water	\$ 2.71
21-40	Water	\$ 3.88	21-40	Water	\$ 4.02
40+	Water	\$ 9.76	40+	Water	\$ 10.10

### Elderly Water Only

FY 2016			FY 2017		
0-10	Water	\$ -	0-10	Water	\$ -
11-20	Water	\$ -	11-20	Water	\$ -
21-40	Water	\$ 2.76	21-40	Water	\$ 2.86
40+	Water	\$ 4.29	40+	Water	\$ 4.44

### Irrigation

FY 2016			FY 2017		
0-10	Water	\$ 3.06	0-10	Water	\$ 3.17
11-20	Water	\$ 5.96	11-20	Water	\$ 6.17
21-40	Water	\$ 7.96	21-40	Water	\$ 8.24
40+	Water	\$ 9.76	40+	Water	\$ 10.10

### Sewer Only

FY 2016			FY 2017		
0-10	Sewer	\$ 4.73	0-10	Sewer	\$ 4.90
		\$ -			\$ -
11-20	Sewer	\$ 8.43	11-20	Sewer	\$ 8.73
		\$ -			\$ -
20+	Sewer	\$ 13.94	20+	Sewer	\$ 14.43



## **Section III:**

# **Future Year's Considerations**



# Town of Natick

## 2018 Water/Sewer Rate Setting

### Section III: Future Year's Considerations

#### Towards FY 2019 and Beyond

The rates for FY 2019 are projected to increase 4.0%. The preliminary outlook for FY 2018-2021 In order to evaluate the size of these increases, staff has prepared the following five-year forecast for the Water & Sewer Enterprise Fund.

Revenue Summary	FY18 Proposed	FY19 Estimated	FY20 Estimated
<b>Water &amp; Sewer Fees</b>	<b>14,160,250</b>	<b>14,746,975</b>	<b>15,475,275</b>
Connection Fees	100,000	100,000	100,000
Investment Income	25,000	20,000	20,000
Betterments			
Misc. Fees →	1,000,000	1,100,000	1,100,000
Revenue from Liens			
I&I Stabilization Fund	150,000	150,000	150,000
Water & Sewer Retained Earnings	683,000	500,000	500,000
<b>TOTAL WATER &amp; SEWER RECEIPTS</b>	<b>\$ 16,118,250</b>	<b>\$ 16,616,975</b>	<b>\$ 17,345,275</b>
Expenditure Summary	FY18 Proposed	FY19 Appropriated	FY20 Appropriated
Operational Budget	9,671,246	10,251,521	10,712,839
Fringe Benefits	836,137	919,751	1,011,726
Debt & Interest	2,542,638	2,669,770	2,803,258
In-Kind Services (Indirects)	2,035,229	2,075,934	2,117,452
Reserve	200,000	200,000	200,000
Capital Improvements	833,000	500,000	500,000
<b>TOTAL WATER &amp; SEWER EXPENDITURES</b>	<b>\$ 16,118,250</b>	<b>\$ 16,616,975</b>	<b>\$ 17,345,276</b>
<b>NET EXCESS / (DEFICIT)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (0)</b>

This forecast takes into account the following assumptions/variables:

#### Revenue Assumptions:

- Investment Income will continue to rise, albeit gradually
- Other Departmental Income will remain stable
- Retained Earnings, if any exists to support capital, will only be spent on smaller ticket capital projects. It is important to maintain retained earnings balance

#### Expense Assumptions:



# *Town of Natick*

## 2018 Water/Sewer Rate Setting

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- Labor Contracts will be settled with a 2% COLA in FY 2019 and at or less than 2% annually moving forward.
- All other departmental expenses will increase at the rate of 2.5%
- MWRA assessments will increase between 3%-6.5%. The extent to which, is still quite uncertain.
- As shown on the MWRA rate chart, the sharp spikes in future years are quite problematic from a planning standpoint. We are uncertain to the extent, if at all, to which these spikes take into account changes within flow rates due to continued regional improvements in reducing Inflow & Infiltration (I&I).
- Fully funding the FY 2018-2022 Capital Improvement Plan. This will increase debt service annually until decreasing after FY 2020. This can be avoided or amended if items are issued for longer terms or projects are removed or delayed.
- Increases in health care benefits remain consistent. This amount is consistent with recent developments in overall health care costs.
- Increases in pension costs remain consistent.

In addition, any impact of increased regulations from the EPA or DEP and a standing order potentially limiting the amount of water Natick can pull from its water sources have not been built into these assumptions. These have the ability to greatly impact rates for homeowners if the amount of water we have to sell is reduced, while costs increase.

### **Results**

These projections indicate rate increases required annually beginning in FY 2018. These increases will be necessary to offset expense increases and still maintain retained earnings/reserves at the low end of recommended levels. Costs will be increasing – and the single largest, the MWRA Assessment – is out of our control.

Many things can change, however, and MWRA assessments as well as capital expenditures can be lower than planned. Any opportunity to improve efficiencies and streamline costs has been and will continue to be implemented. Certainly large rate increases will be avoided if at all possible.



# ***Town of Natick***

2018 Water/Sewer Rate Setting

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## **Attachments**



# Town of Natick

Proposed Water/Sewer Rates - FY 2017

Water 3.50%

Sewer 3.50%

## Rate Changes

This page shows comparative rates between FY 2017 and FY2018 in a variety of different rate categories and blocks. To calculate your bill, simply take your usage by tier and then apply the appropriate Rate for either Water and/or Sewer services.

### Combined Water & Sewer Rates

<u>FY 2016</u>			<u>FY 2017</u>		
0-10	Water	\$ 1.71	0-10	Water	\$ 1.77
	Sewer	\$ 4.73		Sewer	\$ 4.90
11-20	Water	\$ 2.62	11-20	Water	\$ 2.71
	Sewer	\$ 8.43		Sewer	\$ 8.73
21-40	Water	\$ 3.88	21-40	Water	\$ 4.02
	Sewer	\$ 13.94		Sewer	\$ 14.43
40+	Water	\$ 6.03	40+	Water	\$ 6.24
	Sewer	\$ 13.94		Sewer	\$ 14.43

### Combined Elderly Rates

<u>FY 2016</u>			<u>FY 2017</u>		
0-10	Water	\$ -	0-10	Water	\$ -
	Sewer	\$ -		Sewer	\$ -
11-20	Water	\$ -	11-20	Water	\$ -
	Sewer	\$ -		Sewer	\$ -
21-40	Water	\$ 2.76	21-40	Water	\$ 2.86
	Sewer	\$ 9.92		Sewer	\$ 10.27
40+	Water	\$ 4.29	40+	Water	\$ 4.44
	Sewer	\$ 9.92		Sewer	\$ 10.27

### Water Only

<u>FY 2016</u>			<u>FY 2017</u>		
0-10	Water	\$ 1.71	0-10	Water	\$ 1.77
11-20	Water	\$ 2.62	11-20	Water	\$ 2.71
21-40	Water	\$ 3.88	21-40	Water	\$ 4.02
40+	Water	\$ 9.76	40+	Water	\$ 10.10

### Elderly Water Only

<u>FY 2016</u>			<u>FY 2017</u>		
0-10	Water	\$ -	0-10	Water	\$ -
11-20	Water	\$ -	11-20	Water	\$ -
21-40	Water	\$ 2.76	21-40	Water	\$ 2.86
40+	Water	\$ 4.29	40+	Water	\$ 4.44

### Irrigation

<u>FY 2016</u>			<u>FY 2017</u>		
0-10	Water	\$ 3.06	0-10	Water	\$ 3.17
11-20	Water	\$ 5.96	11-20	Water	\$ 6.17
21-40	Water	\$ 7.96	21-40	Water	\$ 8.24
40+	Water	\$ 9.76	40+	Water	\$ 10.10

### Sewer Only

<u>FY 2016</u>			<u>FY 2017</u>		
0-10	Sewer	\$ 4.73	0-10	Sewer	\$ 4.90
		\$ -			\$ -
11-20	Sewer	\$ 8.43	11-20	Sewer	\$ 8.73
		\$ -			\$ -
20+	Sewer	\$ 13.94	20+	Sewer	\$ 14.43



## Town of Natick

Water/Sewer Rates - FY 2017 (Proposed)  
Retained Earnings History

Fiscal Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Certified Retained Earnings	\$4,835,052	\$6,024,895	\$2,791,973	\$682,304	\$656,440	\$1,390,829	1,980,622	\$2,386,297	\$849,404	\$3,342,657	\$1,753,150	\$1,834,879





## Water Sewer Enterprise MWRA Assessment

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Fiscal Year	Fee	Change	
2008	\$3,993,641		
2009	\$3,941,631	-\$52,010	
2010	\$4,219,801	\$278,170	7.06%
2011	\$4,346,280	\$126,479	3.00%
2012	\$4,460,551	\$114,271	2.63%
2013	\$4,634,401	\$173,850	3.90%
2014	\$4,903,457	\$269,056	5.81%
2015	\$5,330,710	\$427,253	8.71%
2016	\$5,526,614	\$195,904	3.68%
2017	\$5,756,705	\$230,091	4.16%



# Town of Natick

## Water/Sewer Rates - FY 2018 (Proposed) Usage History

### Attachment D

This attachment provides a history of gross usage in the water/sewer enterprise fund. Amounts shown are in Hundred Cubic Feet (HCF).

#### Based on FY2011 Use

CODE	USE	AVERAGE
ELD	5,710	14.87
ELW	1,076	13.62
IRR	171,645	19.85
SEW	7,441	130.54
WAT	146,227	24.42
WSM	1,076,828	17.92
<b>Total</b>	<b>1,408,927</b>	

#### Based on FY2012 Use

CODE	USE	AVERAGE
ELD	5,511	14.31
ELW	873	10.91
IRR	137,975	15.64
SEW	9,041	74.72
WAT	131,325	21.50
WSM	1,044,685	16.79
<b>Total</b>	<b>1,329,410</b>	

#### Based on FY2013 Use

CODE	USE	AVERAGE
ELD	5,289	15.15
ELW	815	12.73
IRR	162,702	17.86
SEW	9,846	79.40
WAT	130,783	22.22
WSM	1,056,027	16.73
<b>Total</b>	<b>1,365,462</b>	

#### Based on FY2014 Use

CODE	USE	AVERAGE
ELD	4,147	13.55
ELW	650	13.54
IRR	167,342	16.08
SEW	11,370	77.35
WAT	128,636	22.07
WSM	1,067,518	15.89
<b>Total</b>	<b>1,379,663</b>	

#### Based on FY2015 Use

CODE	USE	AVERAGE
ELD	3,970	13.15
ELW	562	11.71
IRR	170,420	16.12
SEW	10,571	83.90
WAT	125,327	21.41
WSM	1,065,326	15.27
<b>Total</b>	<b>1,376,176</b>	

#### Based on FY2016 Use

CODE	USE	AVERAGE
ELD	3,602	13.64
ELW	463	11.58
IRR	201,855	18.07
SEW	7,808	47.90
WAT	129,998	22.49
WSM	1,067,406	14.75
<b>Total</b>	<b>1,411,132</b>	

# PIT meters are now averaged

#### Three -Year Average

CODE	USE	AVERAGE
ELD	3,906	13.45
ELW	558	12.28
IRR	179,872	16.76
SEW	9,916	69.72
WAT	127,987	21.99
WSM	1,066,750	15.30
<b>Total</b>	<b>1,388,990</b>	

#### Six-Year Average

CODE	USE	AVERAGE
ELD	4,705	14.11
ELW	740	12.35
IRR	168,657	17.27
SEW	9,346	82.30
WAT	132,049	22.35
WSM	1,062,965	16.22
<b>Total</b>	<b>1,378,462</b>	



To protect the Water & Sewer Enterprise Fund's financial stability and to ensure the availability of adequate financial resources in times of emergency, it is essential that policies regarding the enterprise fund's financial management be adopted and adhered to in the preparation and implementation of the operating and capital budgets.

### **1) Reserves**

Maintaining adequate reserves is a fundamental principle of sound financial management. Although there is no standardized reserve policy guidance for enterprise funds in Massachusetts, industry practice would suggest the following:

- a) Retained Earnings (as certified by the Mass. Department of Revenue *eff. July 1* of each fiscal year) shall serve as the principle reserves for the Water & Sewer Enterprise Funds.
- b) Retained Earnings balance should be at least 10% of the gross revenues of the Water & Sewer Enterprise Fund after accounting for planned draws in any fiscal year (e.g. capital purchases).
- c) Reserves can be used for any lawful purpose, but serve primarily to provide financial security in case of catastrophic and unforeseen events, or capital and asset renewal and replacement.
- d) Reserves should not be used to subsidize ongoing operations, whenever possible.

### **2) Capital**

In order to preserve the Town's fixed asset base and ensure that Water and Sewer facilities, and equipment efficiently and effectively support the Town's programs and operations, the Town should provide consistent and stable funding sources for the timely and periodic renewal and/or replacement of water/sewer infrastructure, vehicles and equipment. To that end:

- a) **Methods of Financing:** Generally, the Town should finance all vehicles, equipment and infrastructure with a useful life less than 10 years out of its Retained Earnings. For those vehicles, equipment and infrastructure with a useful life greater than 10 years, the town should consider borrowing as per the regulations set forth under M.G.L. Ch. 44 Sec. 7 & 8 and/or any other applicable laws, if sufficient Retained Earnings are not available.
- b) **Debt Management:** When borrowing is necessary to finance a capital improvement, the Town Finance Director shall seek to issue bonds in such way as to minimize issuance and interest costs while achieving the best terms for the financial betterment of the Enterprise Fund.
- c) **Capital Planning:** All capital projects funded through the Enterprise Fund must be part of the agreed to and adopted 5-year Capital Improvement Plan.
- d) **Roadway Improvement:** Any disruption caused of a paved surface as a result of Water & Sewer Infrastructure Improvements shall be restored as part of the Water & Sewer project and paid for out of revenues of the Water & Sewer Enterprise Fund.

### **3) Rate Structures**

- a) The Town of Natick should continue its established practice of ascending or inclined block rates for water usage in order to promote conservation.
- b) Rates should be proposed and adopted sufficient to cover all costs incurred during the fiscal year with the exception of catastrophic events. Mid-year rate modifications should be avoided whenever possible.

### **4) Indirect Costs**

- a) Indirect costs shall be reviewed at regular intervals to ensure that they are reasonable to the services being provided by the General Fund in support of Water & Sewer Operations.

These policies should be reviewed at regular intervals for their effectiveness and continued improvement.



# Town of Natick

Home of Champions

Department: Water & Sewer

Enterprise Fund

## Appropriation Summary

### Water & Sewer Operations

	2015 Actual	2016 Actual	2017 Appropriated	2018 Preliminary	2017 vs. 2018 \$ (+/-) % (+/-)	
Total Salaries	1,673,657	1,787,156	1,878,441	1,974,986	96,545	5.14%
Total Operating Expenses	6,663,911	6,813,880	7,200,151	7,493,775	293,624	4.08%
Total Water & Sewer Operations	8,337,568	8,601,036	9,078,592	9,468,761	390,169	4.30%

### Utility Billing Operations

	2015 Actual	2016 Actual	2017 Appropriated	2018 Preliminary	2017 vs. 2018 \$ (+/-) % (+/-)	
Total Salaries	100,662	103,779	112,214	113,485	1,271	1.13%
Total Operating Expenses	83,152	57,647	89,000	89,000	-	0.00%
Total Utility Billing Operations	183,814	161,426	201,214	202,485	1,271	0.63%

### Employee Benefits

	2015 Actual	2016 Actual	2017 Appropriated	2018 Preliminary	2017 vs. 2018 \$ (+/-) % (+/-)	
Employee Benefits						
Total Employee Benefits	723,751	791,486	748,986	836,137	87,152	11.64%

### Debt Service

	2015 Actual	2016 Actual	2017 Appropriated	2018 Preliminary	2017 vs. 2018 \$ (+/-) % (+/-)	
Debt Service						
Principal	1,884,424	1,998,403	1,996,150	2,091,932	95,782	4.80%
Interest	446,491	464,326	394,638	450,706	56,068	14.21%
Total Debt Service	2,330,915	2,462,729	2,390,788	2,542,638	151,850	6.35%
Total Debt Service	2,330,915	2,462,729	2,390,788	2,542,638	151,850	6.35%

### Reserves

	2015 Actual	2016 Actual	2017 Appropriated	2018 Preliminary	2017 vs. 2018 \$ (+/-) % (+/-)	
Total Reserve Fund	-	200,000	200,000	200,000	-	0.00%
Total Reserve Fund	-	200,000	200,000	200,000	-	0.00%

Total Water & Sewer Enterprise Fund	11,576,048	12,216,677	12,619,580	13,250,022	630,442	5.00%
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Indirects	2,207,400	2,207,400	2,218,150	2,035,229	(182,921)	-8.25%
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Totals	13,783,448	14,424,077	14,837,730	15,285,251	447,521	3.02%
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# ***Town of Natick***

Home of Champions

Department: Water & Sewer

Enterprise Fund

## **Mission:**

### **Water & Sewer Operations:**

The mission of the Natick Department of Public Work Water And Sewer Operation Divisions are to maintain and improve in a cost-efficient manner the infrastructure and facilities of the town's water and sewer system and be ready and available to provide immediate and professional response to emergency situations.

The Department will provide safe and adequate drinking water and water for fire protection by maintaining and improving the water treatment plant, supply wells, and water mains throughout town. The Department will also provide safe and sanitary collection and disposal of wastewater by maintaining and improving sewer pump stations, force mains, and gravity sewer mains.

The Department will assist, support and cooperate with other Town departments, boards and commissions as well as other municipalities, State and Federal agencies in all relevant activities that promote and benefit the Town and the quality of life for the citizens of the Town.

### **Utility Billing Operations:**

The Utility Billing office is responsible for the billing and collecting of Water and Sewer activity. This includes uploading the usage files received from DPW on a monthly basis, recording the receivable due to the Town of Natick, printing and mailing of water/sewer invoices, and posting water/sewer cash receipts. Also process abatements, corrections, final billing for real estate sales and special billings for backflows, valve work, etc, and maintain the senior citizen account designations with the Assessor's Office. Finally, this division is also responsible for answering customer inquiries and conduct problem research.

## **Goals:**

### **Water & Sewer Operations:**

- *Replace water/sewer services prior to roadway improvement projects*
- *Replace aging and substandard (2" diameter) water mains*
- *Update Asset Management Plan*
- *Maintain sewer pump stations and mains to prevent backups and overflows*
- *Repair water main breaks in a timely fashion*
- *Provide quality potable water for consumption and fire protection*
- *Continue to replace outdated water meter transmitters.*
- *Replace the Eliot Hill Sewer Pump Station*
- *Continue to implement work order management software*
- *Update SCADA equipment*

### **Utility Billing Operations:**

#### *Personnel Advancement*

- *Continue to work on customer service/team building.*
- *Reconfigure Collector's Office personnel to facilitate better service.*

#### *Enhance On-line, Web, Computer Applications*

- *Work with DPW to add on-line Geographic Information System (GIS) capabilities; create Executive Committee to enhance usability throughout organization .*
- *With DPW, consider alternatives to water billing/accounts receivable systems.*
- *Institute a lock box system that will enhance the posting of deposits.*



# ***Town of Natick***

Home of Champions

Department: Water & Sewer

Enterprise Fund

Budget Overview:

**The Water & Sewer Enterprise Fund has three divisions within it: Sanitary Sewer, Water, and Utility Billing.**

## **Department of Public Works Sewer Division**

### **I. Main Purpose of the Division**

The Sewer Division operates and maintains over 147 miles of the sewer collection system and seeks to meet or exceed all federal and state mandates and guidelines governing the sewer collection system. The Division monitors the Town's thirty-four sewer pump stations seven days a week. Personnel from this division are on call twenty four hours a day, seven days a week to respond to any sewer emergency.

### **II. Recent Developments**

- Continuation of the sewer main relining program, pipeline video inspections, point repairs
- Upgrade and repair sewer pump stations

### **III. Current Challenges**

- Implementation of the Infiltration and Inflow (I/I) study of the Town's sewer system
- Maintain program to alleviate chronic sewer back up areas
- Monitoring sulfides in the sewer system to prevent premature deterioration of collection piping and equipment
- Repair/replacement of aging and failing sewer chimney services

### **IV. Significant Proposed Changes for the Upcoming Fiscal Year and the Budget Impact**

- Continue to fund the Sewer Pump Station/Line Maintenance to maintain the sewer main and pump stations and to continue the Degreasing Program
- Update asset management plan for sewer infrastructure
- Implement capital projects to repair/replace aging and substandard infrastructure

### **V. On the Horizon**

- Continual maintenance of an aging infrastructure and increased volume of capital projects
- Installation of new Bradford Road and Pamela Road sewer force main
- Rehabilitation of Travis Road and Eliot Hill Sewer Pump Stations
- Route 9 / Route 27 Infrastructure Improvement Project
- 4M Sewer Force main replacement project (Route 9)

## **Department of Public Works Water Division**

### **I. Main Purpose of the Division**

The Water Division operates and maintains the Town's water supply wells, water treatment plant, and water distribution system. It provides safe and potable drinking water through 196 miles of distribution mains within Town. The Division is responsible for water meter calibration, quarterly reading over 13,000 meters, and the installation, inspection and testing of backflow prevention devices. In addition, the Division is responsible for water quality testing on a daily basis, the testing and maintenance of 1,400 fire hydrants, the repair of water leaks, maintain compliance with state and federal drinking water requirements, and maintain sufficient supply for fire protection. Personnel from this Division are on-call twenty four hours a day, seven days a week to respond to any water emergency.

### **II. Recent Developments**

- Continuation of Backflow Prevention Program
- Annual water leak detection program to reduce unaccounted for water.
- Replacement of residential water services on various streets before street rehabilitation. (111 total services replaced on the following streets: Barnsdale, Surry, Nottingham, Cottage, Greenwood, Avon, Lynn, Cheryl, Buckingham, Sherwood)
- Conducted yearly uni-directional flushing program

### **III. Current Challenges**

- Update of ISO 14001 Certification for the Springvale Water Treatment Plant
- Update SCADA equipment
- Replacement of Springvale #4 & Morses Pond Well
- Water Management Act permit implementation
- Increase in backflow prevention device testing and inspections



# ***Town of Natick***

Home of Champions

Department: Water & Sewer

Enterprise Fund

Budget Overview:

## **Department of Public Works Water Division (con't)**

### **IV. Significant Proposed Changes for the Upcoming Fiscal Year and the Budget Impact**

- Implement new pump preventive maintenance schedule
- Implement new state and federal requirements
- Update asset management plan for water infrastructure
- Implement capital projects to repair/replace aging and substandard infrastructure

### **V. On the Horizon**

- Continue the improvement and efficiency of the water system
- Update outdated automation equipment
- Water Distribution system maintenance and upkeep
- East and West Central Street Water Main Replacement Projects
- Route 9 / Route 27 Infrastructure Improvement Project

## **Utility Billing Division**

### **I. Main Purpose of the Division**

The primary responsibility of the Division is the quarterly billing of 13,000 water and sewer accounts. These duties include preparation of quarterly invoices, dispute resolution with rate payers, special fee invoicing, etc. This Division is responsible for the certification of delinquent accounts to the Board of Assessors for inclusion as water and sewer liens transferred to real estate bills.

### **II. Recent Developments**

Implemented online payment of Water & Sewer bills

### **III. Current Challenges**

The format and content of information included with the water and sewer bill is being evaluated for clarity. The goal is to improve the information provided to ratepayers.

### **IV. Significant Proposed Changes for the Upcoming Fiscal Year and Budget Impact**

The budget request for FY2017 continues to include funding for improved notification to delinquent accounts, notification to subsequent/new property owners, and additional research/resolution for returned mail.

### **V. On the Horizon**

None.



# Town of Natick

Home of Champions

Department: Water & Sewer Operations

Enterprise Fund

Staffing	2014	2015	2016	2017	2018
<b>Water &amp;</b>					
Water & Sewer Division Supervisor	1	1	1	1	1
Water & Sewer General Foreman	1	1	1	1	1
Regulatory Compliance Coordinator	0	1	1	1	1
Administrative Assistant	1	1	1	1	1
Working Foreman	4	4	4	4	4
Heavy Equipment Operator	3	3	3	3	3
Skilled Laborer	5	5	5	5	5
Craftsman	3	3	3	3	3
Water Distribution Assistant Supervisor	1	1	1	1	1
Water Operations/ GIS Manager	1	1	1	1	1
Chief Plant Operator	1	1	1	1	1
Night Operator	1	1	1	1	1
Station Operator	4	4	4	4	4
<b>Utility Billing</b>					
Executive Assistant	1	1	1	1	1
Administrative Assistant	1	1	1	1	1
Department Support	0.1	0.1	0.1	0.1	0.1
<b>Total FTE</b>	<b>28.1</b>	<b>29.1</b>	<b>29.1</b>	<b>29.1</b>	<b>29.1</b>
<b>Total FT/PT</b>	<b>28 FT / 1 PT</b>	<b>29 FT / 1PT</b>	<b>29 FT / 1 PT</b>	<b>29 FT / 1 PT</b>	<b>29 FT / 1 PT</b>

## Notes

Utility Billing Notes:

Departmental Support person:  
works 960 hours total  
720 hours allocated to collections  
240 hours allocated to utility billing

Performance Indicators	2014	FY2015	FY2016	FY2017*	FY2018*
<b>Workload Indicators</b>					
<b>Water &amp; Sewer Operations</b>					
Number of Water Leaks/Repairs	25	60	27	25	25
Number of Sewer Backups	9	12	7	9	9
Total Number of Hydrants Replaced/ Repaired	15	14	28	15	15
Total Mileage of Water & Sewer Pipes	200/150	200/150	200/150	200/150	200/150
Number of Sewer Main lines Lined (in feet)	2000	4600	0	3800	9000
Water Pumped (in Millions of Gallons)	1,180	1,230	1,214	1,180	1,180
Water Services (Main to Stop) replaced		116	111	75	75
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017*</b>	<b>2018*</b>
<b>Outcome Indicators</b>					
<b>Water &amp; Sewer Operations</b>					
# of Sewer Backups causing Insurance Claims(CY)	4	4	4	4	4

\*Estimated

## Utility Billing

See Treasurer's Budget (Section VII) for performance indicators related to utility billing.





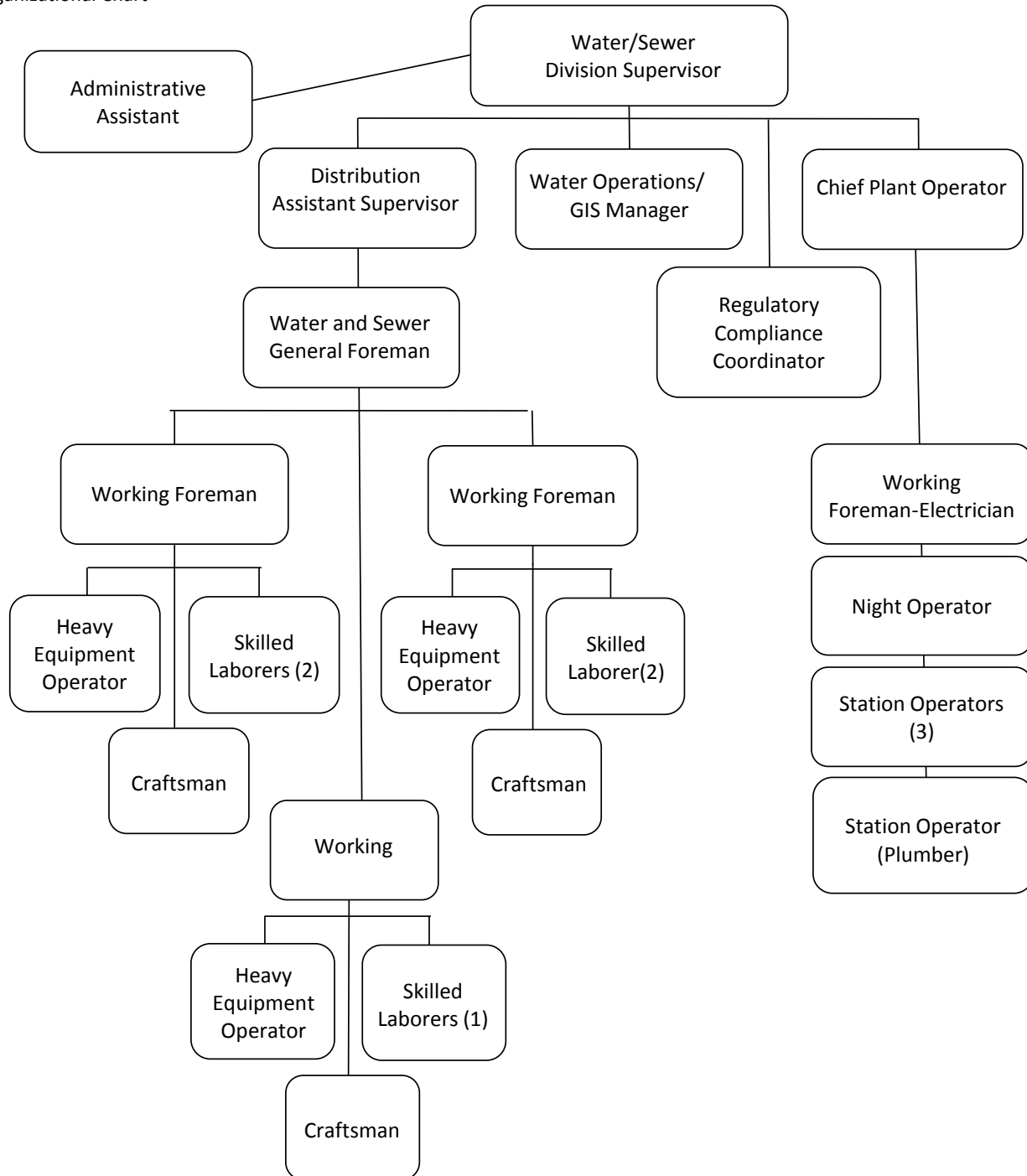
# Town of Natick

Home of Champions

Department: Water & Sewer Operations

Enterprise Fund

## Organizational Chart



*Note: Water & Sewer Divisions are under the management of the Director of Public Works*



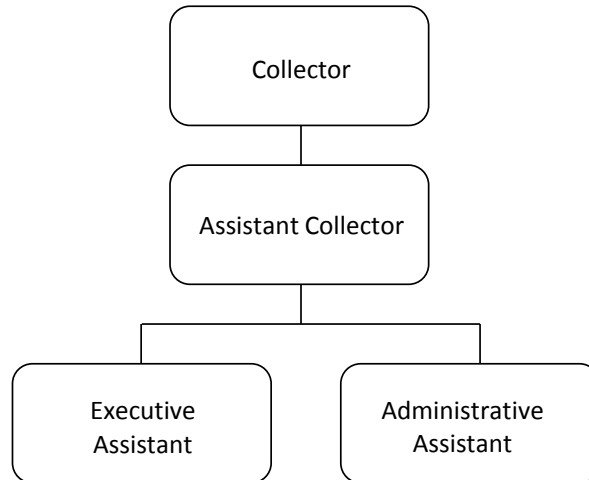
# Town of Natick

Home of Champions

Department: Water & Sewer Operations

Enterprise Fund

Organizational Chart: Utility Billing Operations



*Note: Utility Billing Division is under the management of the Treasurer/Collector.*

Totals



# Town of Natick

Home of Champions

Department: Water & Sewer

Enterprise Fund

## Sewer Operations

	2015 Actual	2016 Actual	2017 Appropriated	2018 Preliminary	2017 vs. 2018 \$ (+/-) % (+/-)	
Salaries Supervisory	\$ 172,602	\$ 177,438	\$ 175,134	\$ 179,731	\$ 4,597	2.62%
Salaries Operational Staff	\$ 356,467	\$ 405,946	\$ 437,419	\$ 460,495	\$ 23,076	5.28%
Salaries Part-time Operational/Police Details	\$ 21,406	\$ 27,434	\$ 30,068	\$ 30,068	\$ -	0.00%
Supervisory Additional Comp	\$ 15,600	\$ 15,600	\$ 16,600	\$ 16,600	\$ -	0.00%
Operational Staff Additional Comp	\$ 14,388	\$ 13,404	\$ 16,450	\$ 16,775	\$ 325	1.98%
Operational Staff Overtime	\$ 61,330	\$ 63,035	\$ 61,000	\$ 64,734	\$ 3,734	6.12%
Contract Settlements/Merit Increases	\$ -	\$ -	\$ 13,471	\$ 21,900	\$ 8,429	62.57%
<b>Personnel Services</b>	<b>\$ 641,793</b>	<b>\$ 702,857</b>	<b>\$ 750,142</b>	<b>\$ 790,303</b>	<b>\$ 40,161</b>	<b>5.35%</b>
Repairs & Maint. Equipment	\$ 2,933	\$ 3,016	\$ 3,000	\$ 3,250	\$ 250	8.33%
Repairs & Maint. Other	\$ 2,884	\$ 3,046	\$ 3,000	\$ 3,250	\$ 250	8.33%
Utilities Electric	\$ 75,091	\$ 89,068	\$ 99,695	\$ 102,686	\$ 2,991	3.00%
<b>Purchase of Services</b>	<b>\$ 80,908</b>	<b>\$ 95,130</b>	<b>\$ 105,695</b>	<b>\$ 109,186</b>	<b>\$ 3,491</b>	<b>3.30%</b>
Licenses - CDL & Special	\$ 679	\$ 2,140	\$ 2,000	\$ 2,100	\$ 100	5.00%
Clothing Allowance Operational Staff	\$ 2,450	\$ 2,450	\$ 3,150	\$ 3,150	\$ -	0.00%
<b>Other Services Inc.</b>	<b>\$ 3,129</b>	<b>\$ 4,590</b>	<b>\$ 5,150</b>	<b>\$ 5,250</b>	<b>\$ 100</b>	<b>1.94%</b>
Tech & Prof Svs & MWRA Sulfide Testing	\$ 6,829	\$ 15,832	\$ 15,000	\$ 15,000	\$ -	0.00%
<b>Tech/ Prof. Services</b>	<b>\$ 6,829</b>	<b>\$ 15,832</b>	<b>\$ 15,000</b>	<b>\$ 15,000</b>	<b>\$ -</b>	<b>0.00%</b>
Repairs & Maint. Misc. Constr.	\$ 3,608	\$ 3,466	\$ 4,000	\$ 4,000	\$ -	0.00%
<b>Supplies</b>	<b>\$ 3,608</b>	<b>\$ 3,466</b>	<b>\$ 4,000</b>	<b>\$ 4,000</b>	<b>\$ -</b>	<b>0.00%</b>
Sewer Pump Station/Line Maintenance	\$ 259,208	\$ 130,367	\$ 125,000	\$ 130,000	\$ 5,000	4.00%
MWRA Sewer Assessment	\$ 5,330,710	\$ 5,526,614	\$ 5,756,705	\$ 6,044,540	\$ 287,835	5.00%
Water/Sewer Damage Claims	\$ -	\$ -	\$ 15,000	\$ 15,000	\$ -	0.00%
<b>Other Chgs. / Exp.</b>	<b>\$ 5,589,918</b>	<b>\$ 5,656,981</b>	<b>\$ 5,896,705</b>	<b>\$ 6,189,540</b>	<b>\$ 292,835</b>	<b>4.97%</b>
<b>Total Operating Expenses</b>	<b>\$ 6,326,185</b>	<b>\$ 6,478,855</b>	<b>\$ 6,776,692</b>	<b>\$ 7,113,279</b>	<b>\$ 336,587</b>	<b>4.97%</b>

## Water Operations

	2015 Actual	2016 Actual	2017 Appropriated	2018 Preliminary	2017 vs. 2018 \$ (+/-) % (+/-)	
Salaries Supervisory	\$ 197,396	\$ 198,223	\$ 197,325	\$ 196,569	\$ (756)	-0.38%
Salaries Operational Staff	\$ 644,938	\$ 690,170	\$ 756,540	\$ 795,932	\$ 39,392	5.21%
Salaries Temp Operational	\$ 28,378	\$ 22,162	\$ 25,957	\$ 29,613	\$ 3,656	14.08%
Supervisory Additional Comp	\$ 18,100	\$ 18,100	\$ 18,100	\$ 18,100	\$ -	0.00%
Operational Staff Additional Comp	\$ 28,886	\$ 29,571	\$ 24,600	\$ 25,569	\$ 969	3.94%
Operational Staff Overtime	\$ 114,166	\$ 126,073	\$ 85,000	\$ 95,000	\$ 10,000	11.76%
Contract Settlements/Merit Increases	\$ -	\$ -	\$ 20,777	\$ 23,900	\$ 3,123	15.03%
<b>Personnel Services</b>	<b>\$ 1,031,864</b>	<b>\$ 1,084,299</b>	<b>\$ 1,128,299</b>	<b>\$ 1,184,683</b>	<b>\$ 56,384</b>	<b>5.00%</b>
Repairs & Maint. Software	\$ 15,278	\$ 16,500	\$ 15,000	\$ 15,500	\$ 500	3.33%
Utilities	\$ 466,179	\$ 462,518	\$ 563,051	\$ 545,900	\$ (17,151)	-3.05%
GIS Software & Training	\$ 21,959	\$ 20,892	\$ 25,500	\$ 25,500	\$ -	0.00%
Copy/Mail Center Fees	\$ 11,976	\$ 9,511	\$ 11,000	\$ 11,000	\$ -	0.00%
Purchased Services: Miscellaneous	\$ 12,334	\$ 11,979	\$ 12,000	\$ 12,250	\$ 250	2.08%
<b>Purchase of Services</b>	<b>\$ 527,726</b>	<b>\$ 521,400</b>	<b>\$ 626,551</b>	<b>\$ 610,150</b>	<b>\$ (16,401)</b>	<b>-2.62%</b>
Licenses - CDL & Special	\$ 8,013	\$ 8,146	\$ 8,500	\$ 8,500	\$ -	0.00%
Environmental Management - ISO 14001 Certification	\$ 6,933	\$ 3,953	\$ 4,000	\$ 4,100	\$ 100	2.50%
Clothing Allowance Operational Staff	\$ 3,850	\$ 4,200	\$ 4,550	\$ 4,550	\$ -	0.00%
<b>Other Services Inc.</b>	<b>\$ 18,796</b>	<b>\$ 16,299</b>	<b>\$ 17,050</b>	<b>\$ 17,150</b>	<b>\$ 100</b>	<b>0.59%</b>
Implement SDWA Amendment	\$ 31,296	\$ 29,713	\$ 30,000	\$ 30,000	\$ -	0.00%
Water Testing	\$ 21,876	\$ 23,572	\$ 25,000	\$ 26,000	\$ 1,000	4.00%
<b>Tech./Prof. Services</b>	<b>\$ 53,172</b>	<b>\$ 53,284</b>	<b>\$ 55,000</b>	<b>\$ 56,000</b>	<b>\$ 1,000</b>	<b>1.82%</b>



# Town of Natick

Home of Champions

Department: Water & Sewer		Enterprise Fund				
Repairs & Maint - Equipment	\$ 14,490	\$ 2,985	\$ 3,000	\$ 3,000	\$ -	0.00%
Repairs & Maint - Facilities	\$ 1,746	\$ 1,984	\$ 2,500	\$ 3,500	\$ 1,000	40.00%
Repairs & Maint - Hydrants	\$ 9,801	\$ 9,823	\$ 10,000	\$ 15,000	\$ 5,000	50.00%
Repairs & Maint - Misc. Repairs	\$ 18,641	\$ 17,568	\$ 20,000	\$ 20,000	\$ -	0.00%
Repairs & Maint - Misc. Constr	\$ 17,971	\$ 18,000	\$ 20,000	\$ 20,000	\$ -	0.00%
<b>Supplies</b>	<b>\$ 62,649</b>	<b>\$ 50,360</b>	<b>\$ 55,500</b>	<b>\$ 61,500</b>	<b>\$ 6,000</b>	<b>10.81%</b>
Chemical Supplies	\$ 88,268	\$ 155,700	\$ 174,000	\$ 174,000	\$ -	0.00%
Obsolete Meters	\$ 27,282	\$ 29,738	\$ 30,000	\$ 30,000	\$ -	0.00%
Service Connections	\$ 17,423	\$ 19,497	\$ 20,000	\$ 22,000	\$ 2,000	10.00%
<b>Other Supplies</b>	<b>\$ 132,973</b>	<b>\$ 204,934</b>	<b>\$ 224,000</b>	<b>\$ 226,000</b>	<b>\$ 2,000</b>	<b>0.89%</b>
Water Well/Water Line Maint.	\$ 147,650	\$ 149,857	\$ 150,000	\$ 154,000	\$ 4,000	2.67%
New Hydrant Installation	\$ 9,975	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	0.00%
Asphalt Crushing	\$ 14,802	\$ 14,600	\$ 20,000	\$ 20,000	\$ -	0.00%
DEP Assessment	\$ 9,994	\$ 13,512	\$ 12,000	\$ 12,500	\$ 500	4.17%
MWRA Discharge Permit	\$ 1,782	\$ 3,635	\$ 3,500	\$ 3,500	\$ -	0.00%
<b>Other Charges/Expenditures</b>	<b>\$ 184,203</b>	<b>\$ 191,604</b>	<b>\$ 195,500</b>	<b>\$ 200,000</b>	<b>\$ 4,500</b>	<b>2.30%</b>
<b>Total Operating Expenses</b>	<b>\$ 2,011,383</b>	<b>\$ 2,122,181</b>	<b>\$ 2,301,900</b>	<b>\$ 2,355,483</b>	<b>\$ 53,582</b>	<b>2.33%</b>
<b>Utility Billing</b>						
	<b>2015 Actual</b>	<b>2016 Actual</b>	<b>2017 Appropriated</b>	<b>2018 Preliminary</b>	<b>2017 vs. 2018</b>	
					<b>\$ (+/-)</b>	<b>% (+/-)</b>
Salaries Operational Staff	\$ 95,842	\$ 99,469	\$ 105,273	\$ 106,451	\$ 1,178	1.12%
Part-Time Operational Staff	\$ 3,690	\$ 3,560	\$ 3,786	\$ 3,879	\$ 93	2.46%
Operational Staff - Additional Comp	\$ 750	\$ 750	\$ 1,125	\$ 1,125	\$ -	0.00%
Operational Staff Overtime	\$ 380	\$ -	\$ 2,030	\$ 2,030	\$ -	0.00%
Totals	0.00%	0.00%	214606.00%	0.00%	-214606.00%	-100.00%
<b>Personnel Services</b>	<b>\$ 100,662</b>	<b>\$ 103,779</b>	<b>\$ 112,214</b>	<b>\$ 113,485</b>	<b>\$ 1,271</b>	<b>1.13%</b>
Repair,Maint, Replace Equipment	\$ -	\$ -	\$ 500	\$ 500	\$ -	0.00%
Utility Billing Software	\$ 15,000	\$ -	\$ 15,000	\$ 15,000	\$ -	0.00%
Utility Billing Printing	\$ 7,885	\$ 6,983	\$ 10,000	\$ 10,000	\$ -	0.00%
In State Travel/Meetings	\$ -	\$ -	\$ 500	\$ 500	\$ -	0.00%
Communication Telephone	\$ -	\$ -	\$ 1,500	\$ 1,500	\$ -	0.00%
Training & Education	\$ -	\$ -	\$ 3,000	\$ 3,000	\$ -	0.00%
Communication Postage	\$ 25,218	\$ 28,914	\$ 25,000	\$ 25,000	\$ -	0.00%
Copy/Mail Center Fees	\$ 31,429	\$ 21,750	\$ 32,000	\$ 32,000	\$ -	0.00%
Collection Activities	\$ -	\$ -	\$ 500	\$ 500	\$ -	0.00%
Office Supplies	\$ 3,620	\$ -	\$ 1,000	\$ 1,000	\$ -	0.00%
<b>Supplies</b>	<b>\$ 83,152</b>	<b>\$ 57,647</b>	<b>\$ 89,000</b>	<b>\$ 89,000</b>	<b>\$ -</b>	<b>0.00%</b>
<b>Total Utility Billing</b>	<b>\$ 183,814</b>	<b>\$ 161,426</b>	<b>\$ 201,214</b>	<b>\$ 202,485</b>	<b>\$ 1,271</b>	<b>0.63%</b>
<b>Employee Benefits</b>						
	<b>2015 Actual</b>	<b>2016 Actual</b>	<b>2017 Appropriated</b>	<b>2018 Preliminary</b>	<b>2017 vs. 2018</b>	
					<b>\$ (+/-)</b>	<b>% (+/-)</b>
FICA {Medicare}	\$ 23,864	\$ 28,453	\$ 28,865	\$ 30,554	\$ 1,689	5.85%
Insurance Group Health & Life	\$ 392,278	\$ 432,255	\$ 377,215	\$ 433,798	\$ 56,582	15.00%
LIUNA Pension	\$ 47,683	\$ 50,059	\$ 69,094	\$ 75,658	\$ 6,564	9.50%
<b>Other Personnel Services</b>	<b>\$ 463,826</b>	<b>\$ 510,767</b>	<b>\$ 475,174</b>	<b>\$ 540,009</b>	<b>\$ 64,836</b>	<b>13.64%</b>
Funding Schedule	\$ 259,925	\$ 280,719	\$ 273,812	\$ 296,128	\$ 22,316	8.15%
<b>Other Charges &amp; Expenditures</b>	<b>\$ 259,925</b>	<b>\$ 280,719</b>	<b>\$ 273,812</b>	<b>\$ 296,128</b>	<b>\$ 22,316</b>	<b>8.15%</b>
<b>Total Employee Benefits</b>	<b>\$ 723,751</b>	<b>\$ 791,486</b>	<b>\$ 748,986</b>	<b>\$ 836,137</b>	<b>\$ 87,152</b>	<b>11.64%</b>



# Town of Natick

Home of Champions

Department: Water & Sewer

Enterprise Fund

## Water & Sewer Debt Service

	2015 Actual	2016 Actual	2017 Appropriated	2018 Preliminary	2017 vs. 2018 \$ (+/-) % (+/-)	
Water Principal Sub-Totals	\$ 1,172,438	\$ 1,203,444	\$ 1,207,191	\$ 1,340,437	\$ 133,246	11.04%
Sewer Principal Sub-Totals	\$ 711,986	\$ 794,959	\$ 788,959	\$ 751,495	\$ (37,464)	-4.75%
<b>Principal Totals</b>	<b>\$ 1,884,424</b>	<b>\$ 1,998,403</b>	<b>\$ 1,996,150</b>	<b>\$ 2,091,932</b>	<b>\$ (2,253)</b>	<b>-0.11%</b>
Interest on Debt Water Sub-Totals	\$ 279,029	\$ 258,702	\$ 209,247	\$ 278,600	\$ 69,353	33.14%
Interest on Debt Sewer Sub-Totals	\$ 165,562	\$ 175,624	\$ 155,391	\$ 142,106	\$ (13,285)	-8.55%
Bond Anticipation Notes	\$ 1,900	\$ 30,000	\$ 30,000	\$ 30,000	\$ -	0.00%
<b>Interest Totals</b>	<b>\$ 446,491</b>	<b>\$ 464,326</b>	<b>\$ 394,638</b>	<b>\$ 450,706</b>	<b>\$ 56,068</b>	<b>14.21%</b>
<b>Total Water &amp; Service Debt Service</b>	<b>\$ 2,330,915</b>	<b>\$ 2,462,729</b>	<b>\$ 2,390,788</b>	<b>\$ 2,542,638</b>	<b>\$ 151,850</b>	<b>6.35%</b>

## Reserve Fund

	2015 Actual	2016 Actual	2017 Appropriated	2018 Preliminary	2017 vs. 2018 \$ (+/-) % (+/-)	
<b>Reserve Fund</b>	<b>\$ -</b>	<b>\$ 200,000</b>	<b>\$ 200,000</b>	<b>\$ 200,000</b>	<b>\$ -</b>	<b>0.00%</b>
<b>Total Reserve Fund</b>	<b>\$ -</b>	<b>\$ 200,000</b>	<b>\$ 200,000</b>	<b>\$ 200,000</b>	<b>\$ -</b>	<b>0.00%</b>

<b>Indirects</b>	<b>\$ 2,207,400</b>	<b>\$ 2,207,400</b>	<b>\$ 2,218,150</b>	<b>\$ 2,035,229</b>	<b>\$ (182,921)</b>	<b>-8.25%</b>
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<b>Total</b>	<b>\$ 13,783,448</b>	<b>\$ 14,424,077</b>	<b>\$ 14,837,730</b>	<b>\$ 15,285,251</b>	<b>\$ 447,521</b>	<b>3.02%</b>
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## ***Town of Natick***

Home of Champions

Department: Water & Sewer Operations

Enterprise Fund

Narrative:

### **Sanitary Sewer Operations**

#### **Personnel Services**

**Salaries Supervisory:** To fund the positions of Distribution Manager and Chief Plant Operator.

**Salaries Operational Staff:** To fund eleven employees who maintain and repair the wastewater collection system.

**Salaries Temporary Operational:** This fund is for police details for work done in the roadways and part-time help.

**Supervisory Additional Compensation:** This fund is for education incentive stipends and service awards.

**Operational Staff Additional Compensation:** This fund is for longevity and temporary upgrades per union contract.

**Operational Staff Overtime:** This fund is for emergencies and callbacks after normal operating hours.

#### **Purchase of Services**

**Equipment Repairs/Maintenance:** This fund is for the repairs and maintenance of the town's thirty four sewer pump stations which include check valves, motor starters, mechanical seals, etc.

**Repairs/Maintenance Other:** This fund is for the repairs and maintenance of the alarms, wiring, and fencing.

**Electricity:** This fund is for the use of electricity at the Sewer Pumping Stations.

#### **Other Services (Misc.)**

**Licenses CDL and Special:** This fund is for the reimbursement to the employees for license renewals, CDL, Hoisting, required training etc.

**Clothing Allowance Operational Staff:** This fund is for the clothing allowance per union agreement.

#### **Tech & Professional Services**

**Professional Services-MWRA/Sulfide Testing:** This fund is for the testing of the sewer before it enters the Massachusetts Water Resource Authority (MWRA) sewer system and other professional services dealing with this issue as required by the municipal discharge permit.

#### **Supplies**

**Miscellaneous Construction Repairs and Maintenance:** This fund is for the repairs and maintenance of sewer pipe, fittings, sewer camera, manhole covers and sewer rod equipment.

#### **Other Charges**

**Sewer Line Maintenance:** This fund is used for the engineering, repairing, maintenance and rehabilitation of the thirty four sewer pump stations and for the 150 miles of sewer mains such as video inspection of sewers, replacement of sewer pipe, and manholes.

**Massachusetts Water Resource Authority (MWRA) Assessment:** This fund is for the costs of the Town's sewer discharge into the MWRA sewer collection system.

### **Water Operations**

#### **Personnel Services**

**Salaries Supervisory:** To fund the positions of GIS Coordinator/Water Information Management, Compliance Coordinator, and Supervisor of Water and Sewer, who oversees this division.

**Salaries Operational Staff:** To fund fourteen employees positions who maintain and repair the water distribution system.

**Salaries Temporary Operational:** This fund is for police details for work done in the roadways and for part time help.

**Supervisory Additional Compensation:** This fund is for education incentive stipends and service awards.



## *Town of Natick*

Home of Champions

Department: Water & Sewer Operations Line-Item Detail

Narrative:

### **Water Operations (con't)**

**Operational Staff Additional Compensation:** This fund is for longevity and temporary upgrades per union contract.

**Operational Staff Overtime:** This fund is for emergencies and callbacks after normal operating hours.

### **Purchase of Services**

**Repairs and Maintenance Software:** This fund is used for maintaining the SCADA System at the Water Treatment Plants. It covers the upgrade of intrusion software, hardware replacements and other related computer items.

**Electricity:** This fund is for the use of electricity at the Water Treatment Plant, Evergreen Wells, Morse's Pond Well, Pine Oaks Well, Elm Bank Well and the Booster Station at Captain Toms Hill.

**Copy Mail Center:** This fund is for Division's share of the copy/mail center cost.

**Purchased Services Miscellaneous:** This fund is used for supplies and equipment including printers, computers, computer hardware etc.

### **Other Services Misc.**

**Licenses CDL and Special:** This fund is for the reimbursement to the employees for license renewals CDL, Hoisting, Water; memberships to NEWWA; required training, etc.

**Environmental Management System:** This fund is for the audits required to maintain the Environmental Management System and the ISO Certification.

**Clothing Allowance Operational Staff:** This fund is for the clothing allowance per union agreement.

**Safe Drinking Water Act (SDWA) Amendment:** This fund is for all Volatile Organic Compounds (VOC) water and other tests mandated by the Massachusetts Department of Environment Protection (DEP), U.S. Environmental Protection Agency (EPA) and Safe Drinking Water Act (SDWA).

### **Supplies**

**Water Tests:** This fund is for all weekly water testing which includes coliform, manganese, fluoride, lead and copper (among many other compounds).

**Equipment Repairs/Service:** This fund is for the repair of metal detectors, hoses, and service tapping machine.

**Facility Repairs and Maintenance:** This fund is for the repairs of locks, the purchase of propane gas and belts for air strippers.

**Hydrant Repairs and Maintenance:** This fund is used to repair and maintain the 1,400 fire hydrants in town.

**Miscellaneous Construction Repairs and Maintenance:** This fund is for replacing old water gates, ductile iron water pipe, gate boxes, large pipe fittings, tapping sleeves and water gates.

### **Other Supplies**

**Chemical Supplies:** This fund is for the chemicals (chlorine gas, hydroflousilic acid and potassium permanganate) injected into the water.

**Replace Obsolete Meters:** This fund is for the replacement of large water meters and flow meters for the water wells and for the calibration of large meters, etc.

**Service Connections:** This fund is to replace old water line services and replacing the water line in the streets that are to be repaved, including one inch plastic water pipe, curb stops, brass fittings, service boxes and cellar valves, etc.

### **Other Charges & Expenditures**

1 **Water Line Maintenance:** This fund is for repairs and maintenance at the water treatment plant, water pump stations and water wells, consultant fees and emergencies.

**New Hydrant Installation:** This fund is for the installation and replacement of old fire hydrants.

**Asphalt Crushing:** This fund is used to hire a crusher for the gravel pit to recycle extra dirt and asphalt.

**Department of Environment Protection Assessment:** This fund is used for the DEP annual assessment.

**Massachusetts Water Resource Authority Discharge Permit:** This fund is used to pay the Massachusetts Water Resource Authority for the water discharge permit at the water treatment plant.



## ***Town of Natick***

Home of Champions

Department: Water & Sewer Operations Line-Item Detail

Narrative:

### **Utility Billing Operations**

#### **Personnel Services**

**Salaries Operational Staff Salaries:** Two full-time staff positions are funded in this line item. These positions are responsible for preparation of monthly water and sewer charges, special billings (final bills, flat charges, etc.), printing of water/sewer bills, posting payments, customer service inquiries, file maintenance, etc.

**Part Time Operational:** This funds 240 hours of part-time operational staff. This position provides administrative / clerical support to the Treasurer/ Collector and will be available during peak receipt periods to supplement the full-time Utility Billing staff.

**Overtime Operational:** This funds overtime worked by operational staff during peak receipt periods.

#### **Purchase of Services**

**Repairs and Maintenance:** This is for the maintenance and repair of business equipment used in the Collector's office for Utility Billing purposes. The primary equipment is the high speed laser printer used for production of the water / sewer bills and bar code scanning equipment, etc.

**In State Travel/Meetings:** For attendance at Department of Revenue seminars, Treasurer/Collector Association meetings, and administrative/clerical support staff seminars.

**Training and Education:** These costs related to POINT Software training, Neptune meter reading and inventory systems, Invoice Cloud software, and PC specialized training seminars, etc.

**Communication Telephone:** Costs assigned to the Utility Billing for telephone service.

**Communication Postage:** Direct cost associated with the mailings from the Utility Billing Collector's Office. (Water/ Sewer bills, water quality survey, water ban, etc.). This item is reduced to reflect the actual amounts expended over the past several years. There has not been a need to mail notices for a mandatory water BAN.

**Collection Activities:** Printing and mailing notices of unpaid/delinquent charges, and demand bills, and other accounts receivable.

**Copy/Mail Center Fees:** Cost assigned to the Utility Billing Collector's Office for mail center labor for mail handling and copy charges.

#### **Technical & Professional Services**

**Utility Billing Software:** This is utilized for minor programming modifications for water / sewer billing. These would include modifications not included in the annual maintenance that Point Software provides for the Water and Sewer receivable / collection system.

**Utility Billing Printing:** The cost of services and supplies for the preparation of water/sewer bills including forms, consumables (toner), CASS certification software (Accu-Zip).

#### **Supplies**

**Office Supplies :** General office supplies for the Utility Billing Collector's Office for employee benefit and bank reconciliation functions.





## ***Town of Natick***

Home of Champions

Department: Water & Sewer Operations Line-Item Detail

### **Employee Benefits**

Pays for benefits for Water & Sewer Benefit eligible employees.

### **Debt Service**

#### **Principal Payments:**

Principal on debt service for multiple water and sewer capital improvement projects.

#### **Interest Payments:**

Interest on debt service associated with general obligation bonds issued for water and sewer projects. Of that amount, \$30,000 represents the estimated amount for Bond Anticipation Notes & issue costs (bond counsel, financial advisor, rating agency fees, etc.) for authorized borrowings.

### **Reserve Fund**

Covers \$200,000 for emergencies & unforeseen contingencies within the fund.



# Town of Natick

Home of Champions

Department: Enterprise Fund Debt Service - Principal

Year of Issue	Project	Amount Issued	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Issue	Total
			Principal	Principal	Principal	Principal	Balance	Principal
1998	Water Treatment Plant *Refunded 2012	\$ 1,175,000	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ 60,000
1998	Sewer (Pleasant, Rockwood, etc.) *Refunded 2012	\$ 285,000	\$ 13,000	\$ -	\$ -	\$ -	\$ -	\$ 13,000
1999	Sewer (Pleasant, Eliot, Union, etc.) *Refunded 2012	\$ 750,000	\$ 35,000	\$ 22,000	\$ 20,000	\$ -	\$ -	\$ 77,000
1999	Sewer (Union St) *Refunded 2012	\$ 615,000	\$ 25,000	\$ 13,000	\$ 12,000	\$ -	\$ -	\$ 50,000
1999	Water (Lakeshore Dr) *Refunded 2012	\$ 500,000	\$ 26,000	\$ 13,000	\$ 12,000	\$ -	\$ -	\$ 51,000
2000	Water (Lakeshore Dr) *Refunded 2012	\$ 540,000	\$ 23,000	\$ 22,000	\$ 22,000	\$ 22,000	\$ -	\$ 89,000
2000	Sewer (Boden Ln & Water, Lincoln, etc.) *Refunded 2012	\$ 1,335,000	\$ 36,000	\$ 36,000	\$ 35,000	\$ 35,000	\$ -	\$ 142,000
2002	Sewer (Lakeshore Rd) *Refunded 2013	\$ 430,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 15,000	\$ 15,000	\$ 90,000
2002	Sewer (Leach Ln) *Refunded 2013	\$ 210,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 50,000
2006	Sewer (Speen St, Park Ave	\$ 2,100,000	\$ 105,000	\$ 105,000	\$ 105,000	\$ 105,000	\$ 630,000	\$ 1,050,000
2007	Water Treatment (MWPAT) *Refunded (Net amount)	\$ 4,884,838	\$ 277,787	\$ 292,408	\$ 302,155	\$ 311,902	\$ 1,312,393	\$ 2,496,645
2009	Water Relining	\$ 3,000,000	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000
2010	Water Relining	\$ 600,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ -	\$ -	\$ 180,000
2010	Springvale Well	\$ 250,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ -	\$ -	\$ 75,000
2010	Reservoir Refurbishment	\$ 500,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ 150,000
2010	Sewer Pump Station 5	\$ 300,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ -	\$ -	\$ 90,000
2010	Sewer Jet Truck	\$ 250,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ -	\$ -	\$ 75,000
2011	Final Phase V	\$ 800,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 250,000	\$ 470,000
2012	Ground Water Wells	\$ 300,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 150,000
2012	Variable Frequency Drives	\$ 260,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 125,000
2012	DPW Headquarters Renovations	\$ 504,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 250,000
2012	DPW Vehicle Garage Roof	\$ 66,000	\$ 10,000	\$ 5,000	\$ -	\$ -	\$ -	\$ 15,000
2013	Force Main Bradford / Pamela - Rt 9	\$ 1,650,000	\$ 110,000	\$ 110,000	\$ 110,000	\$ 110,000	\$ 770,000	\$ 1,210,000
2013	Replace Ground Water Wells	\$ 300,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 60,000	\$ 180,000
2013	Filter Modification @ Springvale WTP	\$ 200,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 40,000	\$ 120,000
2014	Replace Ground Water Wells	\$ 300,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 160,000	\$ 240,000
2014	Town Forest Reservoir Roof	\$ 220,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 115,000	\$ 175,000
2014	Prime Park Pump Station Wall	\$ 150,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 45,000	\$ 105,000
2014	Energy Efficiency Upgrades - Springvale WTP	\$ 150,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 45,000	\$ 105,000
2014	Tonka Valves & Filters - Springvale WTP	\$ 100,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 30,000	\$ 70,000
2014	Chrysler Road Sewer Line Replacement	\$ 48,000	\$ 10,000	\$ 5,000	\$ -	\$ -	\$ -	\$ 15,000
2014	MWRA I&I	\$ 755,700	\$ 151,140	\$ 151,140	\$ -	\$ -	\$ -	\$ 302,280
2014	W-22 (Dump Truck w/Plow)	\$ 220,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ -	\$ -	\$ 105,000
2014	W-14 (Backhoe w/Plow)	\$ 135,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ -	\$ -	\$ 60,000
2014	Speen Street Sewer Work	\$ 180,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 40,000	\$ 120,000
2015	Sewer Station and Generator Upgrades (Travis Road)	\$ 360,000	\$ 36,000	\$ 36,000	\$ 36,000	\$ 36,000	\$ 180,000	\$ 324,000
2015	Sewer Pump Station Replacement (Eliot Hill)	\$ 230,000	\$ 23,000	\$ 23,000	\$ 23,000	\$ 23,000	\$ 115,000	\$ 207,000
2015	Public Works Expansion	\$ 101,500	\$ 10,150	\$ 10,150	\$ 10,150	\$ 10,150	\$ 50,750	\$ 91,350
2015	Ground Water Wells	\$ 300,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 200,000	\$ 280,000
2015	MWRA I&I - Sewer Main Relining	\$ 202,050	\$ 20,205	\$ 20,205	\$ 20,205	\$ 20,205	\$ 80,820	\$ 161,640
2016	VFD's for Pumps - Springvale Water Treatment	\$ 120,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 72,000	\$ 120,000
2016	Covered Storage Building	\$ 200,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 160,000	\$ 200,000
2016	Water Distribution System Enhancements	\$ 150,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 90,000	\$ 150,000
2016	Replace Ground Water Wells	\$ 300,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 180,000	\$ 300,000
2017	Springvale Water Treatment Plant - Re-use Tank	\$ 390,000	\$ 39,000	\$ 39,000	\$ 39,000	\$ 39,000	\$ 234,000	\$ 390,000
2017	Route 30 Water Main Loop	\$ 450,000	\$ 22,500	\$ 22,500	\$ 22,500	\$ 22,500	\$ 360,000	\$ 450,000
2017	West Central Water Main Replacement	\$ 1,200,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 960,000	\$ 1,200,000
2017	Replace W-23 (Dump Truck)	\$ 225,000	\$ 32,150	\$ 32,150	\$ 32,150	\$ 32,150	\$ 96,400	\$ 225,000
Water and Sewer Enterprise Principal			\$ 2,091,932	\$ 1,684,553	\$ 1,528,160	\$ 1,243,907	\$ 6,406,363	\$ 14,951,065



**Town of Natick**  
Home of Champions

Department: Enterprise Fund Debt Service - Interest

Year of Issue	Project	Amount Issued	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Issue	Total
			Interest	Interest	Interest	Interest	Balance	Interest
1998	Water Treatment Plant *Refunded 2012	\$ 1,175,000	\$ 1,200	\$ -	\$ -	\$ -	\$ -	\$ 1,200
1998	Sewer (Pleasant, Rockwood, etc.) *Refunded 2012	\$ 285,000	\$ 260	\$ -	\$ -	\$ -	\$ -	\$ 260
1999	Sewer (Pleasant, Eliot, Union, etc.) *Refunded 2012	\$ 750,000	\$ 2,380	\$ 1,240	\$ 400	\$ -	\$ -	\$ 4,020
1999	Sewer (Union St) *Refunded 2012	\$ 615,000	\$ 1,500	\$ 740	\$ 240	\$ -	\$ -	\$ 2,480
1999	Water (Lakeshore Dr) *Refunded 2012	\$ 500,000	\$ 1,520	\$ 740	\$ 240	\$ -	\$ -	\$ 2,500
2000	Water (Lakeshore Dr) *Refunded 2012	\$ 540,000	\$ 3,100	\$ 2,200	\$ 1,320	\$ 440	\$ -	\$ 7,060
2000	Sewer (Boden Ln & Water, Lincoln, etc.) *Refunded 2012	\$ 1,335,000	\$ 4,960	\$ 3,520	\$ 2,100	\$ 700	\$ -	\$ 11,280
2002	Sewer (Lakeshore Rd) *Refunded 2013	\$ 430,000	\$ 3,600	\$ 2,800	\$ 2,000	\$ 1,200	\$ 600	\$ 10,200
2002	Sewer (Leach Ln) *Refunded 2013	\$ 210,000	\$ 2,000	\$ 1,600	\$ 1,200	\$ 800	\$ 400	\$ 6,000
2006	Sewer (Speer St, Park Ave)	\$ 2,100,000	\$ 41,213	\$ 36,488	\$ 32,288	\$ 28,088	\$ 78,360	\$ 216,437
2007	Water Treatment (MWPAT) *Refunded (Net amount)	\$ 4,884,838	\$ 51,225	\$ 40,439	\$ 29,667	\$ 18,691	\$ 15,618	\$ 155,640
2009	Water Relining	\$ 3,000,000	\$ 12,000	\$ -	\$ -	\$ -	\$ -	\$ 12,000
2010	Water Relining	\$ 600,000	\$ 5,700	\$ 3,900	\$ 1,950	\$ -	\$ -	\$ 11,550
2010	Springvale Well	\$ 250,000	\$ 2,375	\$ 1,625	\$ 813	\$ -	\$ -	\$ 4,813
2010	Reservoir Refurbishment	\$ 500,000	\$ 4,750	\$ 3,250	\$ 1,625	\$ -	\$ -	\$ 9,625
2010	Sewer Pump Station 5	\$ 300,000	\$ 2,850	\$ 1,950	\$ 975	\$ -	\$ -	\$ 5,775
2010	Sewer Jet Truck	\$ 250,000	\$ 2,375	\$ 1,625	\$ 813	\$ 813	\$ -	\$ 5,626
2011	Phase V	\$ 800,000	\$ 15,275	\$ 13,625	\$ 11,425	\$ 9,775	\$ 25,125	\$ 75,225
2012	Ground Water Wells	\$ 300,000	\$ 4,800	\$ 3,600	\$ 2,400	\$ 1,200	\$ 600	\$ 12,600
2012	Variable Frequency Drives	\$ 260,000	\$ 4,000	\$ 3,000	\$ 2,000	\$ 1,000	\$ 500	\$ 10,500
2012	DPW Headquarters Renovations	\$ 504,000	\$ 8,000	\$ 6,000	\$ 4,000	\$ 2,000	\$ 1,000	\$ 21,000
2012	MWRA I&I (0% interest loan)	\$ 196,845	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2012	DPW Vehicle Garage Roof	\$ 66,000	\$ 600	\$ 200	\$ -	\$ -	\$ -	\$ 800
2013	Force Main Bradford / Pamela - Rt 9	\$ 1,650,000	\$ 39,050	\$ 34,650	\$ 30,250	\$ 25,850	\$ 85,663	\$ 215,463
2013	Replace Ground Water Wells	\$ 300,000	\$ 6,600	\$ 5,400	\$ 4,200	\$ 3,000	\$ 2,400	\$ 21,600
2013	Filter Modification @ Springvale WTP	\$ 200,000	\$ 4,400	\$ 3,600	\$ 2,800	\$ 2,000	\$ 1,600	\$ 14,400
2014	Replace Ground Water Wells	\$ 300,000	\$ 8,025	\$ 7,025	\$ 6,225	\$ 5,425	\$ 20,275	\$ 46,975
2014	Town Forest Reservoir Roof	\$ 220,000	\$ 5,869	\$ 5,119	\$ 4,519	\$ 3,919	\$ 14,007	\$ 33,433
2014	Prime Park Pump Station Wall	\$ 150,000	\$ 3,938	\$ 3,188	\$ 2,588	\$ 1,988	\$ 2,514	\$ 14,216
2014	Energy Efficiency Upgrades - Springvale WTP	\$ 150,000	\$ 3,938	\$ 3,188	\$ 2,588	\$ 1,988	\$ 2,514	\$ 14,216
2014	Tonka Valves & Filters - Springvale WTP	\$ 100,000	\$ 2,625	\$ 2,125	\$ 1,725	\$ 1,325	\$ 1,675	\$ 9,475
2014	Chrysler Road Sewer Line Replacement	\$ 48,000	\$ 700	\$ 200	\$ -	\$ -	\$ -	\$ 900
2014	MWRA I&I (0% interest loan)	\$ 755,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2014	W-22 (Dump Truck w/Plow)	\$ 220,000	\$ 4,550	\$ 2,800	\$ 1,400	\$ -	\$ -	\$ 8,750
2014	W-14 (Backhoe w/Plow)	\$ 135,000	\$ 2,600	\$ 1,600	\$ 800	\$ -	\$ -	\$ 5,000
2014	Speer Street Sewer Work	\$ 180,000	\$ 4,800	\$ 3,800	\$ 3,000	\$ 1,325	\$ 2,000	\$ 14,925
2015	Sewer Station and Generator Upgrades (Travis Road)	\$ 360,000	\$ 11,520	\$ 10,080	\$ 8,640	\$ 7,200	\$ 14,400	\$ 51,840
2015	Sewer Pump Station Replacement (Eliot Hill)	\$ 230,000	\$ 7,360	\$ 6,440	\$ 5,520	\$ 4,600	\$ 9,200	\$ 33,120
2015	Public Works Expansion	\$ 101,500	\$ 3,248	\$ 2,842	\$ 2,436	\$ 2,030	\$ 4,060	\$ 14,616
2015	Ground Water Wells	\$ 300,000	\$ 10,400	\$ 9,600	\$ 8,800	\$ 8,000	\$ 36,000	\$ 72,800
2015	MWRA I&I - Sewer Main Relining	\$ 202,050	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2016	VFD's for Pumps - Springvale Water Treatment	\$ 120,000	\$ 4,800	\$ 4,320	\$ 3,840	\$ 3,360	\$ 10,080	\$ 26,400
2016	Covered Storage Building	\$ 200,000	\$ 8,000	\$ 7,600	\$ 7,200	\$ 6,800	\$ 54,400	\$ 84,000
2016	Water Distribution System Enhancements	\$ 250,000	\$ 10,000	\$ 9,000	\$ 8,000	\$ 7,000	\$ 21,000	\$ 55,000
2016	Replace Ground Water Wells	\$ 300,000	\$ 12,000	\$ 10,800	\$ 9,600	\$ 8,400	\$ 25,200	\$ 66,000
2017	Springvale Water Treatment Plant - Re-use Tank	\$ 390,000	\$ 15,600	\$ 14,040	\$ 12,480	\$ 10,920	\$ 32,760	\$ 85,800
2017	Route 30 Water Main Loop	\$ 450,000	\$ 18,000	\$ 17,100	\$ 16,200	\$ 15,300	\$ 122,400	\$ 189,000
2017	West Central Water Main Replacement	\$ 1,200,000	\$ 48,000	\$ 45,600	\$ 43,200	\$ 40,800	\$ 326,400	\$ 504,000
2017	Replace W-23 (Dump Truck)	\$ 225,000	\$ 9,000	\$ 7,714	\$ 6,429	\$ 5,143	\$ 7,714	\$ 36,000
								\$ -
								\$ -
								\$ -
Water and Sewer Enterprise Interest			\$ 420,706	\$ 346,373	\$ 287,895	\$ 231,080	\$ 918,465	\$ 2,204,520

Summary of Debt - Water & Sewer Enterprise Fund

	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Issue	Total
Water & Sewer Enterprise Fund Principal	\$ 2,091,932	\$ 1,684,553	\$ 1,528,160	\$ 1,243,907	\$ 6,406,363	\$ 14,951,065
Water & Sewer Enterprise Fund Interest	\$ 420,706	\$ 346,373	\$ 287,895	\$ 231,080	\$ 918,465	\$ 2,204,520
BAN interest, Admin Fees and Issue Costs	\$ 30,000	\$ 30,000				
Total Annual Debt Service	\$ 2,542,638	\$ 2,060,926	\$ 1,816,055	\$ 1,474,987	\$ 7,324,828	\$ 17,155,584



# Town of Natick

## Water and Sewer Enterprise Fund

### FY2018 Indirect Costs

	Personnel Cost	Fringe	Expense Cost	Total
DPW Administration	102,287	22,013	16,250	140,550
Engineering Services	180,610	25,332	27,122	233,064
Equipment Maintenance	224,840	30,398	120,900	376,139
Highway Sanitation Recycling	124,371	2,850	84,500	211,721
Facility Maintenance	29,209	9,523	33,513	72,245
Public Safety	88,722	20,759	3,152	112,633
Finance - Administration	9,575	907	-	10,482
Finance - Assessing	7,923	1,145	50	9,118
Finance - Collector/Treasurer	60,655	17,352	9,650	87,656
Finance - Comptroller	59,705	11,329	280	71,314
Town Administrator	116,585	24,024	27,975	168,584
Community Development	66,605	19,850	2,205	88,661
Information Technology	39,710	3,800	77,810	121,320
Procurement	27,010	3,167	765	30,941
Human Resources	2,005	584	405	2,994
Legal Services	-	-	41,067	41,067
Property & Liability Insurance	-	-	269,535	269,535
Utilities	-	-	53,562	53,562
Vehicle Fuel	-	-	110,619	110,619
<b>Sub Total - General Fund</b>				<b>2,212,204</b>

### Water Sewer Staff Performing General Fund Functions

	Personnel Cost	Fringe	Expense Cost	Total
GIS Services	(31,979)	(7,895)	-	(39,874)
W/S Admin. Asst. - DPW	(29,529)	(8,999)	-	(38,529)
W/S Admin. Asst. - Collector	(49,582)	(15,359)	-	(64,941)
Snow and Ice Removal	(33,135)	(496)	-	(33,631)
<b>Subtotal - Water Sewer</b>				<b>(176,974)</b>

### Total Water and Sewer Indirect Costs

**2,035,229**

### Notes:

Indirect Costs are based upon the Previous Fiscal Year's (FY 2017) Final Appropriated Budget.  
Please remember that Town Meeting does not appropriate these the action taken is to approve these.  
Appropriation occurs within the respective budgets listed above are approved by Town meeting.